

REVENUE - STATE

State support for the operation of the public schools is derived primarily from the Basic State Aid appropriation. The sum appropriated to each school division from this source is based on the application of an established cost-per-pupil (for each locality) as determined by the state for each pupil in average daily membership (ADM). This sum, minus the state sales and use tax, and the ability of the locality to support its public schools establishes the contribution by the state. Additional state aid is received in other categories according to specific guidelines established by the State Department of Education. Major sources of state revenue are highlighted below.

Basic Aid: Funding is established at \$5,491 per pupil in average daily membership minus the state sales and use tax, and the local share based on the financial ability of the locality (composite index at .3025) as prescribed by the state formula. Funding is \$5,972 per pupil for 2008-2009. The decrease in basic aid funding is attributed to the new standard for support positions presented in the Governor's Amendment to the 2008-2010 biennial budget.

Career and Technical Education: Funding is established at \$114 per pupil in average daily membership minus the local share based on the financial ability of the locality as prescribed by the state formula. A portion of the revenue in this category results from state support for adult education, occupational and technology education, and for on-site administration of a career and technical education high school. Funding is \$114 per pupil for 2008-2009.

Special Education: Funding is established at \$618 per pupil in average daily membership minus the local share based on the financial ability of the locality as prescribed by the state formula. Funding is \$618 for 2008-2009. Additionally, a portion of the revenue in this category results from state support for homebound instruction, foster home children, and regional tuition payments.

Gifted and Talented: Funding is established at \$45 per pupil in average daily membership minus the local share based on the financial ability of the locality as prescribed by the state formula. Funding is \$45 per pupil for 2008-2009.

VRS Contribution, Social Security Benefits, and Group Life Insurance: The state share of each payment is based upon a per-pupil amount for each student in average daily membership minus the local share based on the financial ability of the locality. The per-pupil amounts for 2009-2010 are as follows: VRS - \$333; FICA \$259; Group Life - \$9. Funding for 2008-2009 is VRS - \$335; FICA - \$259; Group Life - \$11.

Remedial Education: Funding is established at \$68 per pupil in average daily membership minus the local share based on the financial ability of the locality as prescribed by the state formula. Funding is \$68 per pupil for 2008-2009.

Remedial Summer School: Funding is established at \$466 per remedial student attending elementary or secondary summer school minus the local share based on the financial ability of the locality as prescribed by the state formula. For 2008-2009, funding is \$464 per remedial student

Textbooks: Funding is established at \$118.52 per pupil in average daily membership minus the local share based on the financial ability of the locality as prescribed by the state formula. Funding is based on a system of free textbooks. Funding is \$118.52 per pupil for 2008-2009.

State Sales Tax: The state annually distributes to the school system a portion of the state sales tax revenue (1-1/8%) designated for the support of public education. The amount received each year is determined by the amount of total state collections and the triennial school census. The budgeted sales tax amount for 2009-2010 is based on an estimate by the state Department of Taxation of Chesapeake's share of statewide sales tax revenue.

REVENUE - STATE (continued)

Forest Reserve: The U.S. Fish and Wildlife and Minerals Management Service distribute funds generated from the leasing of lands required for flood control and navigation. In Virginia these funds are used in support of public education. The projected revenue is based on actual receipts in 2007-2008.

At Risk: Special funding is included to support programs for students who are educationally at risk. An additional allocation of Basic Aid is provided based on a percentage of students in Chesapeake who are eligible for the free lunch program.

ESL: Funding has been included to assist with students who speak English as a second language. The funding formula is based on the number of students served minus the local share based on the financial ability of the locality as prescribed by the state formula.

Enrollment Loss: Funding provides supplemental revenue for the state share per pupil amount. The amount is determined by applying a weighted formula to the difference in adjusted ADM for the prior and current year.

Salary Supplement: A salary supplement is not funded for 2009-2010.

Class Size: Funding is included to reduce class size in grades K-3 below the required SOQ standard for schools with free lunch eligibility of 16% and greater. The pupil teacher ratios funded range from 14:1 to 20:1, with the lower ratios provided at schools with higher free and reduced lunch percentages.

Reading Intervention: Funding is provided for early intervention services to primary grade students. The number of eligible students is determined by PALS (Phonological and Literacy Screening) diagnostic test or free lunch eligibility if PALS is not available.

Lottery Proceeds: For 2009-2010, additional lottery funds support for school construction and operating needs has been reduced. In previous years, a maximum of 50% of the proceeds could be used for operations. In 2009-2010, the percentage restriction has been lifted and school divisions can allocate funds to best suit their needs.

SOL Algebra Readiness: Funding is provided for math intervention services to students in grades 7 and 8 who are at risk of failing the Algebra I test given at the end of the course.

School Construction: Funding has been eliminated for the 2009-2010 year.

Mentor Teacher Program: Funding is provided for experienced teachers to provide assistance and support to new teachers.

Funding Loss Cap: Final General Assembly action removed the one-time hold harmless funding limit the state reductions to school divisions.

Local Share: Calculated by the state for each school division. The local share requirement is directly tied to state support for education which decreased in 2009-2010 due to the temporary funding cap placed upon K-12 funding. Local share in 2008-09 was \$81,963,956 and local share for 2009-2010 is projected at \$71,823,278 a decrease of \$10,140,678.

REVENUE - STATE

REVENUE ACCOUNT	2007-2008 BUDGET	2007-2008 REVENUE	2008-2009 BUDGET	2009-2010 BUDGET	INCREASE/ DECREASE
Basic Aid	107,276,352	111,034,706	131,284,977	120,736,342	-10,548,635
Career and Technical Education	2,744,480	2,761,348	3,395,070	3,279,274	-115,796
Special Education	20,821,877	21,057,198	23,985,434	24,150,004	164,570
Gifted and Talented	1,044,014	1,063,035	1,210,804	1,208,827	-1,977
VRS Contributions	9,004,619	9,168,678	9,079,765	8,945,318	-134,447
FICA Contributions	6,003,079	6,112,452	6,968,851	6,957,470	-11,381
Group Life Insurance	313,204	318,911	295,974	241,765	-54,209
Remedial Education	1,681,150	1,700,856	1,829,660	1,826,672	-2,988
Remedial Summer School	1,760,148	1,449,847	1,679,368	1,659,304	-20,064
Textbooks	2,617,343	2,665,029	3,188,989	3,183,781	-5,208
State Sales Tax	42,586,884	40,632,957	42,321,424	38,376,185	-3,945,239
Forest Reserve Payments	2,300	4,761	1,800	600	-1,200
At Risk	1,007,224	1,019,124	1,044,609	958,925	-85,684
ESL	436,693	303,143	326,379	350,612	24,233
Enrollment Loss	1,589,696	899,529	1,042,678	713,213	-329,465
Salary Supplement	7,229,796	7,441,246	0	0	0
Class Size	2,256,712	2,286,571	2,226,700	2,230,332	3,632
Reading Intervention	452,796	424,730	481,500	430,140	-51,360
Lottery Proceeds	5,767,915	5,921,105	6,410,805	2,441,024	-3,969,781
SOL Algebra Readiness	251,322	243,564	264,622	262,391	-2,231
School Construction	652,420	653,514	660,350	0	-660,350
Miscellaneous	0	61,710	0	0	0
Mentor Teacher Program	0	0	0	22,930	22,930
Funding Loss Cap (2009-2010 year only)	0	0	0	0	0
TOTALS	215,500,024	217,224,014	237,699,759	217,975,109	-19,724,650

REVENUE - FEDERAL

This revenue is anticipated from the federal government for our students that are federally connected. A federally connected student is one whose parents either 1) live and work on federal property, or 2) live or work on federal property.

For 2009-2010, the total amount of funding is projected to be \$3,000,000, due to a projected decrease in the funding level for the Basic Support payments in the Impact Aid program funding.

REVENUE - FEDERAL

REVENUE ACCOUNT	2007-2008 BUDGET	2007-2008 REVENUE	2008-2009 BUDGET	2009-2010 BUDGET	INCREASE/ DECREASE
Aid to Federally Impacted Areas	3,000,000	3,921,248	3,250,000	3,000,000	-250,000
TOTALS	3,000,000	3,921,248	3,250,000	3,000,000	-250,000

REVENUE - GENERAL FUND

Local support for the operation of the public schools is derived primarily from a general fund appropriation from the city. The general fund appropriation is comprised of money from local tax collections.

REVENUE - OTHER LOCAL

Other local funds are derived from sources generated by the school division such as rent, tuition, printing, and recoveries and rebates.

Rent: Revenue resulting from building and property rental

Sale of Materials: Charges for transcripts and lost diplomas. Adjusted to reflect historical receipts.

Printing: Revenue resulting from the sale of printing services to the city, schools, and other governmental agencies.

Tuition - Regular: Tuition charges for nonresident pupils and pupils from the Southeastern Virginia Training Center.

Tuition - Summer School: 2009-2010 tuition charges for secondary pupils attending summer school will be:

Chesapeake Resident 8-week Regular Program - \$300
Nonresident of Chesapeake, 8-week Regular Program - \$500
Driver Education (behind the wheel) - \$150

Tuition - Adult Education: Tuition charges for adult classes are \$2.00/instructional hour. Nonresidents will pay \$4.00/instructional hour.

Insurance Claims: Insurance recoveries for damage to school property.

Recoveries and Rebates: Revenue resulting from miscellaneous sources (e.g., reimbursement for vandalized property, refunds for jury duty, worker compensation payments, planetarium fees, and ROTC reimbursement).

Sale of Equipment: Sale of obsolete service vehicles, school buses, and equipment.

REVENUE - LOCAL

REVENUE ACCOUNT	2007-2008 BUDGET	2007-2008 REVENUE	2008-2009 BUDGET	2009-2010 BUDGET	INCREASE/ DECREASE
General Fund	183,941,685	189,393,501	185,006,949	173,343,767	-11,663,182
Other Local					
Rent	1,138,000	1,198,198	1,450,000	1,450,000	0
Sale of Materials	25,000	2,368	3,000	3,000	0
Printing	195,000	207,686	198,000	198,000	0
Tuition - Regular School	90,000	64,989	30,000	30,000	0
Tuition - Summer School	205,000	197,270	210,000	395,800	185,800
Tuition - Adult Education	71,000	129,216	113,000	113,000	0
Insurance Claims	35,000	72,806	40,000	40,000	0
Recoveries and Rebates	505,000	809,674	505,000	505,000	0
Sale of Equipment	30,000	80,053	30,000	30,000	0
Driver Education Fee	115,000	152,289	147,000	305,400	158,400
Other Local Total	2,409,000	2,914,549	2,726,000	3,070,200	344,200
LOCAL REVENUE TOTAL	186,350,685	192,308,050	187,732,949	176,413,967	-11,318,982

BUDGET SUMMARY - REVENUE

REVENUE SOURCE	2007-2008 BUDGET	2007-2008 REVENUE	2008-2009 BUDGET	2009-2010 BUDGET	INCREASE/ DECREASE
State	215,500,024	217,224,014	237,699,759	217,975,109	-19,724,650
Federal	3,000,000	3,921,248	3,250,000	3,000,000	-250,000
Local:					
General Fund	183,941,685	189,393,500	185,006,949	173,343,767	-11,663,182
Other	2,409,000	2,914,548	2,726,000	3,070,200	344,200
Local Total	186,350,685	192,308,049	187,732,949	176,413,967	-11,318,982
GRAND TOTALS	404,850,709	413,453,311	428,682,708	397,389,076	-31,293,632